Summer 2013

OLFBP

Ohio Laborers' Fringe Benefit Programs Newsletter

Keep our roads, work zones, families, and members safe.
ELIMINATE DISTRACTED DRIVING!

INSIDE THIS ISSUE

800 Hillsdowne Road ▪ Westerville, Ohio 43081-3302 ▪ (614) 898-9006 ▪ (800) 236-6437 ▪ Fax (614) 898-9169 ▪ www.olfbp.com

Message from the Administrative Manager

Health Care Reform is coming!

More than three years ago, the Patient Protection and Affordable Care Act was passed into law by the United States Congress. Since then, it has come to be known by many different names – the Affordable Care Act, ACA, or its most common moniker, Obamacare. Here at OLFBP, we usually refer to the law as “PPACA.”

Many details of the new law were slow to come out. First, there were many legal challenges, and many thought that the United States Supreme Court would rule the law unconstitutional. But about a year ago, the Court upheld the major provisions of the law. Then we had the Presidential election where the law played a very prominent role. Mitt Romney promised a full repeal of the law should he win the Presidency. But that didn’t happen. Now we are less than six months away from many of the major provisions of the law taking effect. And it will have an impact on members of the OLDC-OCA Insurance Fund, contractors that contribute to the Fund, and the Fund itself.

There are many ways in which members of the OLDC-OCA Insurance Fund are going to benefit from PPACA. Some of those ways have already been implemented by the Fund, some are yet to come. Pages 10 and 11 of this newsletter will give you a brief look at many of the changes coming soon that will impact members of the Fund. As you can read in the article, you will be responsible for providing insurance coverage for you and your dependents. If you fail to do so, you may be subject to penalties. I encourage you to take the time to read the article and start to gain an understanding of what the new law will require.

PPACA is also going to have a major impact on employers – not just contractors that make contributions to the OLDC-OCA Insurance Fund, but many employers throughout the United States. In general, any large employer (more than 50 total full-time equivalent employees) will face a financial penalty if it does not offer some kind of health insurance to its employees. Page 12 will give some more details as to how the law impacts our partner contractors.

Finally, the law is going to have a major impact on the OLDC-OCA Insurance Fund and how it is operated. Unfortunately, most of the changes are only going to further strain the finances of the Fund – at least in the short term. The intent of PPACA is that, eventually, the costs of health care will be controlled and we don’t face the rapidly rising costs of the past decade. However, until the law takes full effect – now through 2018 – the Fund will be forced to provide more coverage with less ability to take steps to control costs on its own. In addition, the Fund will be paying millions of dollars in fees in the next few years to help pay for the enactment of the law.

The health care reform law that Congress passed is more than 2,700 pages long. There is too much information in those pages to address within this newsletter (or even a series of newsletters). The staff at OLFBP spends countless hours researching the various impacts of the law to our members and partner contractors. We will continue to do so and try to share the knowledge with you as best we can. Whether you are a member or a contractor, please feel free to use the OLFBP staff as a resource to answer any questions you may have while navigating this new landscape.

Have a great and safe summer!

Matt Archer

INSURANCE PLAN CHANGES

At the most recent Board of Trustees meeting for the OLDC-OCA Insurance Fund, the Board approved changes to the Plan that may affect you:

Short Term Disability Benefits

The **filing deadline** for Short Term Disability Benefits has been **changed to 15 months** from the initial date of disability. Previously, there was a 90 day filing deadline. This change was made effective for any claims filed on or after May 14, 2013. This Short Term Disability Benefit filing deadline is now consistent with all other Plan benefits.

Specialty Pharmacy

Orchard Specialty Pharmacy will be your exclusive provider for all specialty medications effective October 1, 2013 *(currently administered by Walgreens Specialty Pharmacy)*. Specialty medications are typically high cost medications that require special handling and close monitoring by your health care providers.

Orchard Specialty Pharmacy goes beyond traditional retail pharmacy, helping you get the most from your specialty medication therapy. You and your family will receive the personalized care and expertise of Orchard Specialty Pharmacy's dedicated pharmacists, which is essential to successful therapy. Because specialty medications can be more difficult to manage, Orchard Specialty Pharmacy offers the following patient support services at no charge:

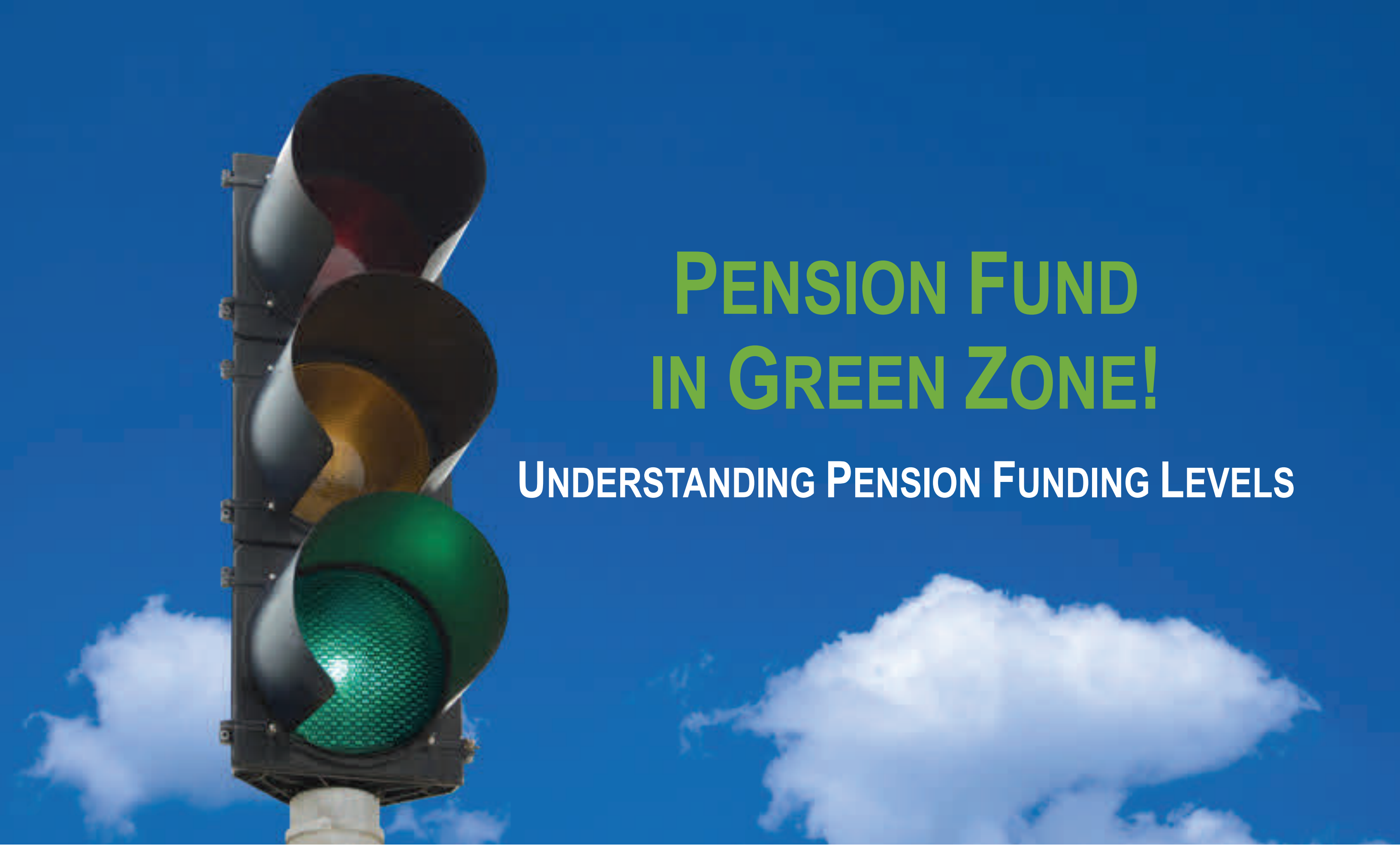
- Personalized support to help you achieve the best results from your prescribed therapy
- Convenient delivery to your home or prescriber's office
- Easy access to a Care Team who can answer medication questions, provide educational materials about your condition, help you manage any potential medication side effects, and provide confidential support - all with one toll-free phone call

You will be required to use Orchard Specialty Pharmacy for all of your specialty medication needs starting October 1, 2013. If you are currently taking a specialty medication, additional information will be mailed to you prior to October to assist with this transition.

Welcome to OLFBP's newest employee, **Jen Hall**. She will be working in the Insurance Department with a focus on OLFBP's retiree population. She is looking forward to assisting you with any of your insurance matters.

Did You Know?

The average number of active members in the Insurance Fund dropped by nearly 1,500 members between 2010 and 2012. However, In that same time period, the total expenses for the Insurance Fund rose over $6 million (nearly $4 million from medical expenses and nearly $2 million from prescription expenses). Administrative costs, on the other hand, decreased slightly over the last two years.



Pension Fund in Green Zone!

Understanding Pension Funding Levels

In April, the LDC&C Pension Fund of Ohio mailed its Annual Funding Notice required by the Department of Labor, showing a **"funded percentage" of 105.40%** as of January 1, 2012 keeping the Fund in the "**Green Zone**." But what does this mean to you and the Pension Fund? On a high level, it means the Pension Fund is financially healthy at this time. But let's dig deeper to get a better understanding of pension funding and to see the importance of staying in the Green Zone.

The Pension Protection Act of 2006 (PPA) added requirements for measuring the financial health of multiemployer pension plans such as ours. PPA requires every fund to determine its financial status under these new rules, certify that status annually, and then notify members in the Annual Funding Notice.

The Annual Funding Notice is a snapshot of a plan's financial standing at certain point in time. It discloses the value of the plan's assets in relationship to its liabilities and describes how well the plan is funded. The plan's "funded percentage" is simply the value of its assets divided by its liabilities. In general, **the higher the funded percentage, the better off the plan is financially**.

Plans are then categorized into a certain "Zone" each year. Generally, plans are considered in the Green Zone (healthy) when the funded percentage is 80% or above, Yellow Zone (endangered status)[1] when the funded percentage is between 65% and 80%, or Red Zone (critical status)[2] when the funded percentage less than 65%.

The goal for all pension plans is to be in the Green Zone. **If a pension plan falls below the Green Zone, the plan is forced to implement a funding improvement plan or a rehabilitation plan, which could include: reduction or elimination of future benefit accruals, significantly increased employer contribution rates, or even eliminating certain benefits.** Fortunately for the LDC&C Pension of Ohio and its active members and retirees, **our Fund has remained healthy and has been in the Green Zone every year**. In fact, 2013's preliminary estimates show a modest increase to 106.2%.

Historical Funded Percentage of the LDC&C Pension Fund of Ohio	
2012	105.40%
2011	109.45%
2010	110.83%
2009	**103.87%**
2008	**113.77%**

The funded percentage is tied closely with the investment performance of the Plan. Just because a plan appears to be healthy one year, it is no guarantee that the plan will remain healthy into the future. To illustrate how quickly a plan can lose ground, simply compare 2008 and 2009. Prior to the stock market crash in 2008, our Pension Fund had a funded percentage of 113.77%. After the crash, the percentage plummeted nearly ten percent to 103.87% in just one year. Many funds around the country have not been as fortunate as our Fund. According to the Segal Company's Survey of Plans' 2012 Zone Status, *"Almost 12 percent of the plans that were certified as green are projected by the actuary, in the absence of investment gains, to migrate into the yellow or red zone unless corrective steps are initiated or continue to be taken."*

There isn't a magic formula or trade secret to keeping in the Green Zone. If so, every plan would be well funded and healthy. But there are several key elements that has allowed our Fund to be in the fortunate position it is now and should be for the foreseeable near future, barring any catastrophic events. First is the sheer size of our Fund. The Fund is large enough to withstand some of the market volatility that many smaller plans simply can't recover from. Second, we have been blessed with a top notch investment consultant. The LDC&C Pension Fund consistently performs in the top quartile of funds nationally for investment returns.

Another reason the Pension Fund has been able to stay in the Green Zone is because of increased employer contribution rates. The rate has increased from $2.10 per hour in 2007 to the current rate of $3.00 per hour. Fortunately, both contractor and member representation has seen the importance of increasing rates in order to maintain a healthy fund. The following projection illustrates the necessity of the increased contribution rates: If the contribution rate remained at the $2.90 rate, the funded status would drop to approximately 90% within five years.

We can also thank the Board of Trustees for managing the Fund appropriately. Despite being relatively well funded, it has not been prudent to give a raise to retirees or increase the $0.064 per hour worked multiplier. It's just not a risk the Board has been willing to take. Most people would agree that **maintaining benefit levels at the current rate is better than potentially lowering future benefits due to untimely increases**. You can't lose sight of long term sustainability for immediate or short term satisfaction or gratification. With that said, this year, like every other year, the Board will review the Plan and its fiscal status to determine if it is an appropriate time for benefit changes.

How does this Fund Compare?

- The average funded percentage was 84% in 2012, compared to our Fund's 105.40%.
- For 2012, 60% of plans were Green Zone, 14% were Yellow Zone, and 26% were Red Zone. More specifically in the construction industry, 68% of plans were Green Zone, 17% Yellow, and 15% Red.
- In 2008, 80% of funds were in the Green Zone prior to the market downturn.
- The LDC&C Pension Fund of Ohio's funded percentage (105.40%) rates in the top 15% of plans surveyed.

Source: Survey of Plans' 2012 Zone Status by the Segal Company.

To look at this in another perspective, the Fund's actuarial benefit consultant shares the following: *"Keep in mind that the PPA funded percentage that is around 105% is based on the Plan's actuarial value of assets... If we look at the funded percentage using the market value of assets, the funded percentage is about 89%. You get a different perspective on making benefit improvements when you see the funded status based on market value."*

So what's the bottom line? Currently **the Pension Fund is healthy and in a good position**. However, with an unstable economy and government pressures like right-to-work proposals, the Fund must remain cautiously optimistic with **the end goal to always stay in the Green Zone**.

[1] *A pension plan is also considered to be Yellow Zone when it is projected to have a funding deficiency within seven years.*

[2] *A pension plan is considered to be Red Zone when (1) it is under 65% funded and has a projected funding deficiency within five years or will be unable to pay benefits within seven years; (2) it has a projected funding deficiency within four years or will be unable to pay benefits within five years (regardless of its funded percentage); or (3) its liabilities for inactive participants are greater than its liabilities for active participants, its contributions are less than carrying costs, and a funding deficiency is projected within five years.*

Retiree Spotlight

Dan Russell - Local 574

Dan Russell didn't plan to be a Laborer, but ended up making a career out of laboring and defending the hard working men and women of the labor movement. He initially attended the Ohio State University after graduating high school with plans to be a teacher. As an Elementary Education major, Dan even spent one quarter as a fifth grade student teacher. But as a young brash 19 year old, he *"knew everything there was to know"* and dropped out of OSU after the first quarter of his sophomore year and moved to Florida. After framing houses for the winter, he came back to Ohio and worked as a bartender for a short time before moving to Kansas City, Missouri. Dan stayed in Missouri for a few years working on railroad bridges and tunnels on the Kansas City Southern line. Dan eventually met his first wife, moved back home to Marion, Ohio, and got a construction job that led him to joining the Laborers.

Dan with his wife Linda and daughter Beth

Dan Russell joined the Laborers' Union in January of 1978 while working in a Tecumseh Products factory in Marion. He was putting in a machine pit for a large press when a union steward for the factory came by and asked if he was a union member. When Dan replied that he was not, the steward said *"Well, you will be, or you'll be out of here!"* Dan was on board, so the following day the contractor paid his initiation fee and Dan's career with LIUNA began.

After completing the Tecumseh project, Dan was laid off for the winter. The following spring, the same contractor called wanting him to return to work, but not on a Union job and not at the Union pay scale. When he told Dan he couldn't pay Union wages, Dan thanked him and told him he was now a Union Laborer and would seek work through the hall. Shortly afterward Dan started working on a pipe crew for Kokosing Construction. He remembers getting a raise that put him over $8 an hour plus benefits. *"Man, I was in high cotton!"*

Early in Dan's career, he was sent to a job that was supposed to last one or two days at most. At the end of the first day, the foreman asked the other laborer and Dan if either could drive a dump truck. As luck would have it, the other laborer could not, but fortunately Dan could. That one day job ended up lasting 8 years. Dan has performed various types of jobs in his Laborers' career, both Heavy Highway and Building trades. During the course of his career, Dan has worked on bridges, water treatment/wastewater plants, dams, foundries, schools, hospitals, government buildings, highways, railroads, tunnels, etc. Not to mention asphalt, concrete, pipe laying, grade checking, and blasting. He helped pour more concrete than he cares to remember when the Honda of America plant was being built in Marysville and East Liberty. Dan has also worked as a Labor Foreman for different companies including, but not limited to, Lathrop Company, Rudolph-Libbe, and Freeman Construction.

Dan with some of his 13 grandchildren

The last ten years of Dan's Laborers' career were spent as president, field representative, and organizer. He was also a delegate to the Ohio Laborers' District Council for Marion Local 574. It was his time spent as an organizer that got him interested and involved in politics and government. He attended city council meetings, bid openings, county commissioner meetings, etc. After attending several commissioners meetings in his hometown of Marion, he started seeing and hearing things that weren't always in the best interest of organized labor. As he was already the Local's political coordinator, it seemed natural for Dan to run for public office.

Dan as County Commissioner

Today, Dan is six months into his second term as a Marion County Commissioner. Per Dan, *"This is a position I would not be in if it were not for my experiences and education as a Laborer*."

Soon after Dan was elected County Commissioner the first time, he retired after 32 years from Local 574 with 27 pension credits. Despite retiring, he remains active at Local 574, recently acting as Chairperson of the Judges. Dan is now a proud, dues paying retiree. ***"I have hung up my Carhartt's and traded my Red Wings for a coat and tie and dress shoes, but I will remain a Proud Union Laborer and continue to fight for working men and women until I no longer breathe."***

Dan would also like to pay homage to all the good friends he has made while with the Laborers. He has many good memories that never would have happened had he not chosen the career path he did.

Personally, Dan and his wife Linda have been married for 23 years and raised four children together. When he's not occupied with his County Commissioner duties, he and Linda have 13 grandchildren to keep them busy. When that's not enough to keep his schedule full, Dan likes to boat and fish Lake Erie.

Featured Apprentice

Teresa Hoylman - Local 639

Ohio Laborers come from all different types of backgrounds and take a variety of paths to get started in the trade. We have the city slickers, the country folk, the old, the young, and everything in between. But two things have been particularly common with this group throughout the years: 1) Laboring is clearly a male dominated field and 2) Laborers generally start in the trade in their 20's. Teresa Hoylman doesn't fit either of these two demographics, but she doesn't care. Instead, she is embracing both the challenge and the opportunity laboring is providing her.

As a military wife for 20 years, Teresa never had the opportunity to start her own career until now. She has moved all around the country from North Dakota to Montana to Virginia to Utah all while raising three children. But with a divorce pending, this 40 year old soon-to-be single mother knew she had to find a job to take care of herself and her family. She initially got a certificate in medical billing and coding, but soon realized that the money wasn't sufficient to support her family. Through the encouragement of her cousin, who is also a female laborer, she joined the Laborers' Apprenticeship Program through Marietta Local 639.

Teresa and her two youngest children

In December 2012, Teresa got her first laboring job, working as the Night Watchperson for Price Gregory Construction on a pipeline job. She worked with Price Gregory through March of this year when she got laid off. Teresa is now working with PBK Construction on the guardrail crew, digging and resetting guardrails. Although she has only been laboring for a short time, she is enjoying it and someday wants to retire as a laborer. In particular, she likes and respects her co-workers and the camaraderie on the job. She also enjoys traveling around Ohio and West Virginia and getting to see and experience "quaint little towns" she would have never visited if not for the job.

Even though Teresa likes the work, it has been a challenge at times. As every laborer knows, the work can be very physically demanding, but this determined lady is not backing down. Teresa is actually enjoying the physical challenge and building her strength and stamina every day. She says **laboring makes her feel like she has accomplished something and has earned her pay check at the end of a hard day's work**.

In addition to her cousin that introduced her to laboring, Teresa's oldest son recently began laboring in Michigan, where he simply bought his book and went directly into the field without joining an apprenticeship program. Teresa, however, likes and appreciates the route she is taking as an apprentice. She's been able to get the training needed to get jobs and most importantly be safe on the job. She really appreciates the focus on safety that is preached at the Drexel J. Thrash Training Center. At the end of the day, she is working for her family and wants to be able to come home safely to them. She has already taken 138 hours of classes at the Center with plans to take many more. She realizes that the more classes you take and the more certifications you get, the more employable you are. *"If I'm not working, put me in as many classes as you can."*

On a personal side, Teresa likes walking, camping, and enjoying the outdoors. She also loves spending time with her two sons (ages 14 and 20) and her 15 year old daughter. She says she's up for an adventure both personally and as a laborer.

Did You Know?

- There are 465 active Apprentices statewide
- 434 are male (over 93%)
- 31 are female (less than 7%)
- Over 95% of active Laborers are male
- Approximately 4% of Retirees are females

New Apprentices at Youngstown Local 125 taking the Craft Orientation Class with instructor Ron Mayle.

Apprentices taking the Craft Orientation class at the Drexel J. Thrash Training Center

What's Next with Health Care Reform

The Patient Protection and Affordable Care Act (PPACA), commonly referred to as "Health Care Reform" or "Obamacare" is the largest change to benefit laws since ERISA in 1976. The Affordable Care Act impacts virtually every individual, contractor, insurance company, doctor, and benefits administrator (like OLFBP) in the country. In fact, you've already seen some of the PPACA mandated changes in the Insurance Plan rules: Dependent children covered to age 26, no cost sharing for certain preventative services, appeal procedures modified, and lifetime maximums removed.

While most of the changes enacted to date have been positive for members, easy to understand, and relatively simple to administer by making straightforward Plan changes, the future effects of PPACA are much more confusing and controversial.

Individual Mandate

Effective January 1, 2014 PPACA requires that most individuals[1] maintain health insurance or health plan coverage qualifying as "Minimum Essential Coverage" for themselves and their tax dependents. If an individual fails to comply, he/she will be subject to a "Shared Responsibility Penalty." **Coverage through the OLDC-OCA Insurance Fund complies with the Minimum Essential Coverage guidelines. Therefore, if you and your dependents have and maintain eligibility with the OLDC-OCA Insurance Fund, you will be in compliance with the Individual Mandate and will not be subject to the Shared Responsibility Penalty.**

If you or your dependents lose eligibility with the OLDC-OCA Insurance Fund, the Individual Mandate can also be satisfied by obtaining (and maintaining) minimum essential coverage under:

- An employer-sponsored health plan,
- A governmental health program (Medicare or Medicaid), or
- An individual health insurance plan purchased through a Health Exchange or elsewhere.

Minimum Essential Coverage is PPACA's way of rating health insurance plans and their coverage. Basically, every plan looks at its coverage for medical and prescription benefits and calculates a percentage rating based on copays, coinsurance, etc. **The OLDC-OCA Insurance Fund provides approximately 90% coverage based on this calculation. Minimum Essential Coverage only mandates 60% coverage.**

So what happens if you don't maintain insurance coverage? **Individuals violating the mandate will be subject to a financial penalty payable to the IRS like a tax.** This Shared Responsibility Penalty will be rather small initially, as little as $95 for no coverage for the entire year of 2014. However, the penalty will increase rather quickly, with the penalty being $325 for 2015 and $695 for 2016. The amount of the penalty for any month in which an individual fails to meet the mandate is 1/12th the annual rate.[2] The penalty is not a family penalty; penalties will be assessed to each individual who does not have Minimum Essential Coverage.[3] There are certain exceptions from the penalty:

- A single coverage lapse of less than 3 months in any given year

- A person whose income is below the federal income tax filing threshold
- A person for whom annual insurance premiums for the lowest cost self-only coverage would exceed 8% of his/her household income
- A person who received a financial hardship waiver
- Dependents claimed by any taxpayer (For example, a college student would not be penalized, but the parent would be penalized for the child.)

Exchanges - Health Insurance Marketplace

Since nearly every American will now be mandated to have health insurance coverage or be penalized effective January 1, 2014, PPACA created health insurance exchanges to offer the uninsured access to affordable health care coverage regardless of pre-existing conditions. In general, PPACA has created what is being called the **"Health Insurance Marketplace"** where individuals can go for one-stop shopping to find and compare private health insurance options. These exchanges are not designed to replace existing employment-based insurance plans like ours, but to give the uninsured multiple options when looking for health insurance. Since the exchanges are still being developed, there are still more questions than answers about their cost and competitiveness.

For individuals who do not have health insurance, the exchanges are supposed to conduct open enrollment starting October 1, 2013 and run through March 31, 2014 for insurance coverage commencing January 1, 2014. **Please remember, if you and your dependents have and maintain insurance coverage through the OLDC-OCA Insurance Fund, you will not need to do anything with the exchanges.** Individuals will have many qualified health plans to choose from in the Marketplace with various levels of coverage, premium costs, and other features. These plans will be put in tiers:

- Platinum - Plans must cover at least 90% of allowable benefit costs
- Gold - 80%
- Silver - 70%
- Bronze - 60%

In addition to the tier rating, premiums for these plans can vary based on individual vs. family coverage, geographic area, age, and **tobacco use**.

Certain individuals will be eligible for "premium assistance tax credits" or "premium subsidies" if their household income is less than 400% of the Federal Poverty Level. Since the exchange program is going to be so large and confusing to most individuals, PPACA is establishing what is being called "Navigators" to help individuals enroll in plans and determine if they are entitled to any subsidies.

As part of the introduction to the Marketplace, contractors are required to mail a new notice to all employees by October 1, 2013 entitled "New Health Insurance Marketplace Coverage Options and Your Health Coverage."

Fees

PPACA also imposes a variety of new fees for the Insurance Fund. These fees will be used to raise revenues to (a) support the individual health market, (b) help fund the state and federal exchanges, and (c) assist with conducting research that compares treatment effectiveness.[4] The OLDC-OCA Insurance Fund will have to pay nearly $2 million in 2014 for these fees.

Conclusion

OLFBP realizes that this is a lot of new information to try to take in at once. We also understand that certain provisions of PPACA may never affect you, but we want you to at least be familiar with some of the terminology you're going to start hearing frequently. The impact of health care reform is still evolving. As more information is released and conclusions are drawn, we will attempt to keep you informed.

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[1] *Does not apply to undocumented residents, religious objectors, members of Indian tribes, or prisoners.*

[2] *Penalty is the greater of the flat dollar amount, or a percentage of income (equal to a specified percentage of the amount by which the taxpayer's household income exceeds the taxpayer's tax return filing threshold).*

[3] *The dollar amount for dependents under age 18 is 50% of the adult rate. For taxpayers claiming dependents, the flat dollar amount cannot exceed three times the applicable dollar amount. The penalty cannot exceed the national average premium for Bronze level qualified health plans.*

[4] *Source: Anita F. Baker CEBS, Health Care Reform: The Financial Impact on Plan Sponsors, IFEBP Benefits Magazine, April 2013*

CONTRACTOR CORNER

HEALTH CARE REFORM'S EFFECT ON CONTRACTORS

The Patient Protection and Affordable Care Act (PPACA) will affect every contractor, some more so than others. However, delays in the implementation of certain provisions of PPACA and lack of guidance from the governing bodies has made it extremely difficult to move forward with both contractor and Fund responsibilities. This article is designed to give contractors a broad understanding of PPACA and some of its potential impact on their companies.[1]

Employer Responsibility

One common misconception is PPACA requires all employers to provide health care coverage to all of its employees. This is not true. **PPACA does not require any employer to offer or provide health care coverage to any of its employees.** However, starting on January 1, 2015, PPACA will impose "employer responsibility" penalties on "Large Employers" if any of their "full-time" employees obtains government-subsidized health insurance coverage through a Health Exchange.

Initially, this was a concern to many signatory contractors of multiemployer health and welfare funds, such as the OLDC-OCA Insurance Fund. The nature of the business often results in employees that only work for a short time period and may not acquire enough working hours to result in eligibility for insurance coverage. Luckily, the regulators of PPACA recognize this and have issued a temporary "transition rule" which states that "Large **Employers" won't be subject to employer responsibility penalties for employees if the employer is contributing to a multiemployer plan under a collective bargaining agreement or participation agreement** and the coverage provided includes the employees' children, is affordable, and meets the minimum value standard. **The OLDC-OCA Insurance Fund meets all of the qualifications for this relief.**

Employee Notices

One area that will affect all employers is a notice that must be distributed to all employees. The notice must include information about the establishment of Health Exchanges, the right of any employee to purchase insurance through the Exchange, the loss of employer coverage (if any) if the employee does buy through an Exchange, and the availability of Government subsidies for eligible individuals and families. Originally, this notice was supposed to be distributed by employers by March 1, 2013. However, the Government did not have the necessary information ready for distribution, so the deadline was extended. Now, **employers should provide the notice to employees no later than October 1, 2013**. In addition, any new employees hired after October 1 must be issued a copy of the notice. The Department of Labor recently issued a model notice that may be used (available at http://www.dol.gov/ebsa/pdf/FLSAwithplans.pdf). **OLFBP is currently reviewing the model notice and will be communicating to signatory employers the information necessary to issue the notice.**

The regulators also issued a "transition rule" for employers contributing on behalf of employees to a multiemployer health and welfare fund. Generally, PPACA requires employers to report the value of health plan coverage provided on each employee's W-2. However, for employers that contribute to multiemployer health and welfare funds, the requirement to report health plan value on a W-2 has been temporarily suspended. Given the often-temporary nature of our type of work and the fact that determining each employer's value of health plan coverage provided to such employees would be difficult, some other type of guidance will have to be issued by Federal regulators to become compliant with PPACA's requirement.

Conclusion

For 2014, signatory contractors that continue to make appropriate timely contributions in accordance with the collective bargaining agreements and/or participation agreements will be in compliance with PPACA rules and regulations with regards to members covered by such agreements. OLFBP will continue to monitor developments that may impact signatory contractors. The "transition rules" that affect employers will have to be addresses by regulators soon – either to extend the transition period, make the current rules permanent, or come up with some other solution. If there are any developments, we will attempt to communicate those to our partner employers.

[1] *As additional details and clarifications are available from the Department of Labor, Health and Human Services, the Treasury Department, IRS, and the White House contractor responsibilities and impact may be added, removed, and/or modified. The purposes of this article is informational only, please do not construe as legal advice.*

Please welcome Alicia Hughes to the Contractor Relations Department. She is a 3rd generation LIUNA member and is excited to be working at OLFBP.

Contribution Rate Changes

Effective May 1, 2013, the hourly contribution rates for the Insurance, Pension, and Training & Apprenticeship Funds increased with the negotiated rate changes in the 2013 Ohio Heavy/Highway Municipal Utility State Construction Agreement. The new rates are as follows:

- Insurance - $6.40
- Pension - $3.00
- Training & Apprenticeship - $0.30

The effective date of the changes for Building work will vary by Local jurisdiction. Please see the chart below:

LOCAL	EFF DATE	LOCAL	EFF DATE
83	6-1-13 *	534	6-1-13 *
125	6-1-13 *	574	5-1-13
134	5-1-13	639	6-1-13 *
245	5-1-13	758	5-1-13
265	6-1-13 *	809	7-1-13 *
329	5-1-13	894	6-1-13 *
423	6-1-13 *	935	6-1-13 *
480	5-1-13	1015	5-1-13
500	7-1-13 *	1216	5-1-13
530	6-1-13 *	1410	6-1-13 *

** According to Insurance Plan requirements, as of May 1, 2013 all insurance contributions received at less than $6.40 will result in the participants being credited with a pro rata quantity of hours. This will result in members being credited with a lesser amount of Insurance hours than actually worked due to the proration until the new rates are paid.*

FOCUS on WELLNESS

Sun Well: Protecting Your Skin

With summer and the construction season at its peak, follow these simple tips for sun-safe skin:

- Always wear sunscreen with a minimum SPF of 15. Broad spectrum sunscreens are best as they absorb a higher percentage of UVA and UVB sun rays.
- Apply sunscreen generously to all exposed areas at least 20 to 30 minutes before going outside. This allows the sunscreen to bind to your skin so it won't immediately "sweat" off.
- Make sure to apply sunscreen to the places you typically might not think of: your lips, ears, between your fingers and toes, back of your neck, even the bottoms of your feet if you will be barefoot and lying on your stomach. Reapply sunscreen every few hours and especially after swimming.
- When possible, avoid peak hours (usually between 10 a.m. and 4 p.m.). This is when the sun's rays are most intense.
- Wear a wide-brim hat, sunglasses and other protective clothing. Hats with at least a three-inch brim are best; sunglasses should protect against UVB rays; clothing should be lightweight and tightly woven for the most protection. You can test to see if your clothing has an adequate weave by placing your hand inside the garment and holding it up to a light. If you can't see your hand through the fabric, it's probably a good choice for cover.
- When possible, stay shaded under a canopy or umbrella when outdoors during peak hours and don't sunbathe.
- Don't use artificial tanning devices, such as tanning beds or lamps. Instead, try a safer self-tanning product. Smear it on with a pair of latex or plastic gloves to avoid bronzing your palms, let it dry a few minutes and go. Remember to use sunscreen with a minimum SPF of 15 underneath self-tanning products, since they typically don't contain any protection.
- Keep infants out of the sun. The melanin in their skin isn't fully developed and they can burn more easily than older children and adults. If an infant must be in the sun, make sure his or her clothing completely covers the body. Include a hat with a wide brim that shades the baby's face and ears, and keep him or her shaded under an umbrella. Sunscreen on babies' skin isn't always recommended, especially for those younger than 6 months. It's best to talk to your pediatrician before applying sunscreen to your baby's skin.

For more information on protecting your skin, visit anthem.com. Also, check out the following sites: National Cancer Institute: cancer.gov; American Cancer Society: cancer.org; American Academy of Dermatology: aad.org; Centers for Disease Control and Prevention: cdc.gov; and National Institutes of Health: nih.gov.

Sources: Anthem Blue Cross Blue Shield, National Cancer Institute, American Academy of Dermatology, American Cancer Society

This information is intended for educational purposes only, and should not be interpreted as medical advice. Please consult your physician for advice about changes that may affect your health.

Photos of Recent Retirees

The staff at OLFBP would like to thank all retirees for their service and dedication to the trade. If not for your hard work, we would not be here today. THANK YOU!

Laura Green (Local 83)

Clint Powell (Local 809 Bus. Mgr.), Kenneth Waggoner (Local 809), and Chris Brown (Secretary-Treasurer)

Randall Sharp (Local 83) and wife

OLFBP would like to wish Mary Ann Melrose a happy and successful retirement. Mary Ann had worked at the Fund Office since 1977, but retired as of April 2013.

Thomas Carline (Local 935)

Ed Losoncy (Local 423) and Robert McCaskill (Local 423 Bus. Mgr.)

OLFBP
800 Hillsdowne Road
Westerville, OH 43081

Follow OLFBP on Facebook to be the first to hear about benefit changes, to better understand the pension and insurance benefits you have, and learn more about your health and the industry.

www.facebook.com/OLFBP

Retirement Counseling

If you are ready to retire, you can set up a benefit counseling appointment with a representative from the OLFBP Fund Office to help you with the paperwork and explain all of the options available.

If you move, **update your address** and contact information with the OLFBP Fund Office. Members can call, write, or fax any changes. Updating your address at your Local does not change it at the Fund Office.